

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

## CIVIL MINUTES – GENERAL

No.	2:23-cv-01783-ODW (PVCx)	Date	July 10, 2023
Title	<i>United States of America v. Olympia Health Care LLC et al.</i>		

Present: The Honorable	Otis D. Wright, II, United States District Judge		
Sheila English	Not reported	N/A	
Deputy Clerk	Court Reporter / Recorder	Tape No.	
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:		
Not present	Not present		

**Proceedings:** **In Chambers**

The Court is in receipt of the Notice of Bankruptcy Filing, filed by Defendants Sherman/Grayson Hospital, LLC and Alecto Healthcare Services LLC, indicating that they each commenced a voluntary Chapter 11 bankruptcy action in June 2020. (ECF Nos. 24, 25.)

In light of the automatic stay associated with a Chapter 11 filing, as set forth at 11 U.S.C. § 362, the Court **ORDERS** the parties to meet and confer concerning the proposed handling of this action. *See Parker v. Bain*, 68 F.3d 1131, 1137 (9th Cir. 1995) (adopting the reasoning of *Maritime Elec. Co., Inc. v. United Jersey Bank*, 959 F.2d 1194, 1203–04 (3d Cir. 1992)); *see id.* at 1139 n.13 (quoting *Maritime*, 959 F.2d at 1205) (“[T]he automatic stay [of 11 U.S.C. § 362(a)] is not available to non-bankrupt co-defendants of a debtor even if they are in a similar legal or factual nexus with the debtor.”).

After meeting and conferring, the parties shall submit a joint status report to the Court setting forth their proposal in light of the automatic stay. The parties shall file their status report on or before **July 31, 2023**.

**IT IS SO ORDERED.**

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